United Nations A/54/822

General Assembly

Distr.: General
3 April 2000

Original: English

Fifty fourth session
Agenda item 141
Financing of the United Nations Mission of Observers in Tajikistan

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Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General contained in document A/54/705 on the financial performance of the United Nations Mission of Observers in Tajikistan (UNMOT) for the period from 1 July 1998 to 30 June 1999. During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information and clarification.

2. In his report to the Security Council of 4 November 1999 (S/1999/1127), the Secretary-General states that "as transition period nears its end, UNMOT approaches the completion of its assignment" (para. 32); moreover, the Secretary-General recommended the extension of the mandate of UNMOT until 15 May 2000, which was envisaged as the last extension of the mandate, and indicated also that the future political role for the United Nations in Tajikistan would be outlined in his interim report to be submitted to the Security Council before the end of the mandate of UNMOT (para. 34). The Council, in its resolution 1274 (1999) of 12 November 1999, agreed with the proposals of the Secretary-General.

3. As indicated in the performance report, expenditures for the period from 1 July 1998 to 30 June 1999 amount to $16,360,600 gross, resulting in an unencumbered balance of $3,639,400 gross. According to the Secretary-General, the unencumbered balance resulted mainly from the low level of deployment of both military and civilian personnel owing to the security situation and the delayed establishment of the Joint Security Unit.

4. The Advisory Committee points out that the amount of the unencumbered balance for the financial period ended 30 June 1999 could have been considerably higher if the security situation in the mission area had been more favourable. The Committee was informed, upon enquiry, that expenditures incurred as a result of the security situation in the mission area amounted to a total of $2,551,850 and included the following:

(a) Purchase of 18 armoured scout vehicles ($1,974,300);

(b) Purchase of communications equipment to provide at least passive protection ($386,200);

(c) Security services in the form of armed guards to protect the Mission's containerized camp and additional storage space in Dinamo stadium ($22,000);

(d) Security guards/watchmen for the team sites ($4,000);

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(e) Services of a security company in Almaty for securing the Mission's cash transactions ($3,600);

(f) Security guards for the residence of the Special Representative of the Secretary-General ($3,400);

(g) Difference between the mission subsistence allowance for Dushanbe and the daily subsistence allowance for Tashkent, in connection with the temporary relocation of military observers ($122,650);

(h) Difference between the mission subsistence allowance for Dushanbe and the daily subsistence allowance for Tashkent, in connection with the temporary relocation of international civilian staff ($35,700).

The Advisory Committee requests that detailed information on security related expenditures be included in the supplementary information provided to the Committee before its consideration of budget performance reports on all peacekeeping operations concerned.

5. As can be seen from table 1 of the report, the unencumbered balance of $3,639,400 (gross) reflects the fact that savings of $896,900 under "Military personnel", $3,196,400 under "Civilian personnel", $979,600 under "Other programmes" and $426,430 under "Staff assessment" were partially offset by an over-expenditure of $1,793,300 under "Operational requirements" and an expenditure of $66,500 representing the prorated share of UNMOT of the cost of maintaining the United Nations Logistics Base at Brindisi, Italy. Annex II to the report contains supplementary information on the variances; the Committee notes from paragraphs 4, 8 and 9 therein that over-expenditures under operational requirements resulted primarily from the acquisition of 18 armoured scout vehicles, the unforeseen replacement of obsolete and damaged office furniture and equipment, upgrading of electronic data-processing systems to ensure year 2000 compliance and from the additional requirements under supplies and services.

6. With regard to the acquisition of the armoured vehicles, it is recalled that the Controller had initially sought the concurrence of the Advisory Committee to enter into commitments in an amount not exceeding $4.1 million primarily for the acquisition of 28 such vehicles. The Committee agreed that the purchase was necessary, but expressed its view that no additional commitment authority would be required in view of the pattern of expenditures of UNMOT. Upon enquiry, the Committee was informed that the fact that only 18 armoured vehicles had been purchased reflected that not as many personnel had been deployed in the mission area as originally envisaged.

7. The reported over-expenditure of $361,800 under "Other equipment" consists of $230,000 for unbudgeted replacement of electronic data-processing equipment to ensure year 2000 compliance, $41,700 for unbudgeted purchase of scanning equipment and high-speed copiers and $40,700 for unbudgeted replacement of worn/damaged furniture. **The Advisory Committee observes with concern that the performance report does not contain information on the circumstances that gave rise to the unforeseen nature of the purchases. The Committee requests that such circumstances be fully disclosed and justified in performance reports and that replacement of obsolete or damaged equipment should, to the extent possible, be made on the basis of the approved budget.**

8. The Advisory Committee notes from paragraph 3 of annex II to the report that an over-expenditure of $105,500 resulted from higher requirements for official travel, including that relating to the installation of the field assets control system and the implementation of new identification and electronic archiving systems. **In this connection, the Committee notes with concern that the information on the inventory for the Mission, which was provided to the Committee as supplementary information, is deficient in a number of ways.** For example, no totals for inventory value could be easily obtained from the information; some items had no bar codes, others had no tag numbers and some vehicles had no serial numbers; and there was no information on the date of purchase, only the date on which the item was received in the mission. The Committee also points out that inventory lists for other missions identify items transferred to missions and items written off although such items are not indicated in the UNMOT inventory. The Committee notes that the bulk of the inventory of UNMOT had been received during the years 1998 and 1999. However, without knowing the date of acquisition, it is not possible to determine the residual value of equipment at the time of disposal. The Committee understands that most of the equipment in the Mission, with the exception of that transferred from other missions and/or United

Nations Logistics Base, should be fairly new, since the Mission was established by the Security Council not that long ago (December 1994). In this connection, the Committee recalls the observation of the Office of Internal Oversight Services that recent audits had found that excessive expendable inventories at the time of mission liquidation was a recurring problem that needed to be addressed by the Department of Peacekeeping Operations (A/54/394, para. 27). **Accordingly, the Advisory Committee recommends that in the event the Mission is liquidated after 15 May 2000, qualified personnel be retained to manage the disposition of the Mission's assets. The Committee expects also that a significant part of the Mission's assets should be available either for stock at the United Nations Logistics Base or for use by other peacekeeping operations.**

9. The action to be taken by the General Assembly in connection with the performance report for UNMOT is indicated in paragraph 14 of document A/54/705. **The Advisory Committee recommends that the unencumbered balance of $3,639,400 gross ($3,213,100 net) for the period from 1 July 1998 to 30 June 1999 be credited to Member States in a manner to be decided by the General Assembly.**